

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES**

In re Application of:

Elaine S. MASON

Application No.: 09/805,632

Group Art Unit: 3693

Filed: March 14, 2001

Examiner: Greimel, J.

Attorney Docket: COS99039

Client Docket: 09710_1065

For: EARLY-PAYMENT DISCOUNT FOR E-BILLING SYSTEM

APPEAL BRIEF

Honorable Commissioner for Patents
Alexandria, VA 22313-1450

Dear Sir:

This Appeal Brief is submitted in support of the Notice of Appeal dated June 22, 2007.

I. REAL PARTY IN INTEREST

Verizon Corporation is the real party in interest.

II. RELATED APPEALS AND INTERFERENCES

Appellant is unaware of any related appeals and interferences.

III. STATUS OF THE CLAIMS

Claims 1-42 are pending in this appeal. No claim is allowed. This appeal is therefore taken from the final rejection of claims 1-42 on March 23, 2007.

IV. STATUS OF AMENDMENTS

The response filed May 21, 2007 neither canceled, withdrew, nor amended any claims and no new claims were submitted. Thus, the claims on appeal are those claims last amended in the response of June 13, 2006 and presented in the Claims Appendix herein.

V. SUMMARY OF THE INVENTION

The present invention addresses problems associated with web-based billing systems and encouraging customers to tender early payment.

Independent method claim 1 provides for:

1. A method for providing an on-line billing system, the method comprising:
retrieving customer invoice information that includes an invoice date and an invoice amount (see, e.g., Specification, ¶¶ [25] and [26]);
calculating a discount amount based upon the invoice amount (see, e.g., Specification, ¶ 36, lines 2-3);
displaying the calculated discount amount (see, e.g., Specification, ¶ 36, bottom two lines of page 13); and
selectively receiving a payment input that authorizes a payment according to the calculated discount amount in advance of the invoice date (see, e.g., Specification, ¶¶ 39-41).

Dependent claim 3 provides for the following:

3. The method according to claim 1, further comprising:
calculating an expiration date defining the pre-defined time period; and
displaying the expiration date (see, e.g., Specification, last two lines of ¶ [36]).

Dependent claim 4, representative of claims directed to requiring the calculation of a second discount amount based on the invoice amount, provides for the following:

4. The method according to claim 3, wherein the discount amount is based upon a percentage of the invoice amount, further comprising:

calculating another discount amount based upon another percentage of the invoice amount, the second discount amount being associated with another expiration date (see, e.g., Specification, ¶¶ [39]-[42]); and

automatically applying either of the discount amounts based upon time of receipt of the payment input (see, e.g., Specification, ¶¶ [39]-[42]).

Independent apparatus claim 8 provides for:

8. A server apparatus for providing an on-line billing system (see, e.g., Specification, ¶ [11], the server apparatus comprising:

a communication interface (see, e.g., Item 519 in Figure 5) configured to retrieve customer invoice information that includes an invoice date and an invoice amount (see, e.g., Specification, ¶¶ [25] and [26]); and

a processor (see, e.g., Item 505 in Figure 5) coupled to the communication interface (see, e.g., Item 519 in Figure 5) and configured to calculate a discount amount based upon the invoice amount (see, e.g., Specification, ¶ 36, lines 2-3), wherein the calculated discount amount is displayed via a client (see, e.g., Item 513 in Figure 5), and a payment input (see, e.g., Item 515 in Figure 5) that authorizes a payment according to the calculated discount amount in advance of the invoice date is selectively received from the client (see, e.g., Specification, ¶¶ 39-41).

Dependent claim 12, representative of claims requiring the determination of whether criteria for early payment discount are satisfied for a corresponding customer, and selectively applying the discount amount based upon the determination, provides for the following:

12. The server apparatus according to claim 8, wherein the processor is configured to determine whether criteria for early payment discount are satisfied for a corresponding customer, and to selectively apply the discount amount based upon the determination (see, e.g., Specification, ¶ [27]) .

Independent system claim 15 provides for the following:

15. An e-billing system comprising:

a database configured to store customer invoice information that includes an invoice date and an invoice amount (see, e.g., Specification, ¶ [12]);

a server communicating with the database, the server being configured to retrieve the customer invoice information from the database, the server being configured to calculate a discount amount based upon the invoice amount (see, e.g., Specification, ¶ [12]); and

a client communicating with the server, the client being configured to display the discount amount, and to transmit a payment input that authorizes a payment according to the calculated discount amount to the server in advance of the invoice date (see, e.g., Specification, ¶ [12]).

Independent server apparatus claim 22 provides for the following:

22. A server apparatus for providing an on-line billing system, the server apparatus comprising:

means for retrieving customer invoice information that includes an invoice date and an invoice amount (see, e.g., Specification, ¶¶ [25] and [26], and Figure 5);

means for calculating a discount amount based upon the invoice amount (see, e.g., Specification, ¶ 36, lines 2-3, and Figure 5);

means for displaying the calculated discount amount (see, e.g., Specification, ¶ 36, bottom two lines of page 13, and Figure 5); and

means for selectively receiving a payment input that authorizes a payment according to the calculated discount amount in advance of the invoice date (see, e.g., Specification, ¶¶ 39-41 and Figure 5).

Independent computer-readable medium claim 29 provides for the following:

29. A computer-readable medium carrying one or more sequences of one or more instructions for providing an on-line billing system, the one or more sequences of one or more instructions including instructions which, when executed by one or more processors, cause the one or more processors to perform the steps of:

retrieving customer invoice information that includes an invoice date and an invoice amount (see, e.g., Specification, ¶¶ [14], [25] and [26]);

calculating a discount amount based upon the invoice amount (see, e.g., Specification, ¶¶ [14], lines 2-3 of ¶ [36]);

displaying the calculated discount amount (see, e.g., Specification, ¶ 36, bottom two lines of page 13, and ¶ [14]); and

selectively receiving a payment input that authorizes a payment according to the calculated discount amount in advance of the invoice date (see, e.g., Specification, ¶¶ [14], [39]-[41]).

Independent computer system claim 36 provides for the following:

36. An early payment discount (EPD) program for an e-billing system including a computer system accessible for on-line interactive communication of invoices to users, said computer system comprising:

a database for storing customer invoice information, said information including an invoice date and an invoice amount, said invoice information accessible to said customer for on-line interaction (see, e.g., Specification, ¶ [12]);

mechanism for calculating an early payment discount amount based on said invoice amount, and displaying for said user, said early payment discount amount and, a modified total invoice amount reflecting said early payment discount (see, e.g., Specification, ¶¶ [12], [39]); and,

a mechanism for initiating electronic payment of said modified total invoice amount via said e-billing system, wherein said early payment discount is applied only upon payment within a pre-defined time period of said invoice date (see, e.g., Specification, ¶ [39]).

VI. GROUND OF REJECTION TO BE REVIEWED ON APPEAL

Whether claims 1-42 are obvious under 35 U.S.C. § 103 based on *Kitchen et al.* (US 6,289,322) in view of *Pay and Save*?

VII. ARGUMENT

CLAIMS 1-42 ARE NOT RENDERED OBVIOUS BY *KITCHEN ET AL.* AND *PAY AND SAVE*. BECAUSE NEITHER REFERENCE SUGGESTS RETRIEVING AN INVOICE DATE AND INVOICE AMOUNT, CALCULATING A DISCOUNT AMOUNT BASED ON THE INVOICE AMOUNT, AND SELECTIVELY RECEIVING A PAYMENT INPUT THAT AUTHORIZES A PAYMENT ACCORDING TO THE CALCULATED DISCOUNT AMOUNT IN ADVANCE OF THE INVOICE DATE.

The initial burden of establishing a *prima facie* basis to deny patentability to a claimed invention under any statutory provision always rests upon the Examiner. *In re Mayne*, 104 F.3d 1339, 41 USPQ2d 1451 (Fed. Cir. 1997); *In re Deuel*, 51 F.3d 1552, 34 USPQ2d 1210 (Fed. Cir. 1995); *In re Bell*, 991 F.2d 781, 26 USPQ2d 1529 (Fed. Cir. 1993); *In re Oetiker*, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992). In rejecting a claim under 35 U.S.C. § 103, the Examiner is required to provide a factual basis to support the obviousness conclusion. *In re Warner*, 379 F.2d 1011, 154 USPQ 173 (CCPA 1967); *In re Lunsford*, 357 F.2d 385, 148 USPQ 721 (CCPA 1966); *In re Freed*, 425 F.2d 785, 165 USPQ 570 (CCPA 1970).

In the instant case, the Examiner has failed to establish a *prima facie* case of obviousness with regard to the instant claimed subject matter for the following reasons:

1. **The Examiner has not identified where, in *Kitchen et al.*, there is invoice information including date and amount.**

With regard to the independent claims 1, 8, 15, 22, 29, and 36, in the Final Rejection of March 23, 2007, the Examiner alleges, *inter alia*, that *Kitchen et al.* discloses “retrieving invoice information corresponding to a customer including **date** and amount” (emphasis added) at col. 3, lines 9-15, and col. 6, lines 29-52 (See page 3 of the Final Action). Yet, reference to the cited portions of the reference reveals nothing about invoice information including either a date or an amount. For example, col. 6, lines 36-42, recites that memory 420 stores “biller data such as the

billers' name, remittance center address, deposit account number with one of the financial institutions...account numbers for respective payors..., network address..., **and other biller related information...**" (emphasis added). If the Examiner is relying on "other biller related information" to provide a teaching of invoice information including date and amount, the Examiner is silent on this point. But, even assuming, *arguendo*, that this is the portion of *Kitchen et al.* relied on for a suggestion of invoice information including date and amount, and even if it is assumed that it would have been obvious to provide such date and amount as part of "other biller related information," *Kitchen et al.* still fails to suggest the instant claimed subject matter. Any "date and amount" suggested by *Kitchen et al.* would not suggest the instant claimed subject matter because the specific date and amount claimed are then used to perform other claimed functions. That is, a discount amount is calculated "based upon the invoice amount" and a payment input that authorizes a payment according to the calculated discount amount "in advance of the invoice date" is selectively received. No such functions are taught or suggested by *Kitchen et al.* because the reference, by the Examiner's own admission, fails to teach "calculating a discount amount based on the invoice amount" and "selectively receiving a payment input that authorizes a payment according to the calculated discount amount in advance of the invoice date" (pages 3-4 of the Final Rejection of March 23, 2007). Moreover, since the reference, at best, only suggests, if at all, a date, for example, by reciting "other biller related information," it clearly does not suggest using that date by selectively receiving a payment input that authorizes a payment according to the calculated discount amount "in advance of the invoice date," as claimed. That is, even if one found that *Kitchen et al.* might suggest an "invoice date" and/or an "invoice amount," based on the teaching of "other biller related information," this would, at best, be merely an inferential reference to an invoice date and invoice amount, and clearly cannot teach or

suggest the use of such an invoice date and amount in the specific manner claimed, wherein a discount amount is calculated **based upon the invoice amount** and a payment input is selectively received authorizing a payment **according to the calculated discount amount in advance of the invoice date**.

While, in the Final Rejection of March 23, 2007, at page 9, the Examiner interprets “invoice date” to be the “invoice due date,” in the Advisory Action of June 11, 2007, the Examiner appears to broaden his view, contending that the term, “invoice date” is “quite broad in the electronic billing art” in that “the term could mean the date the invoice was created at the biller or the date it is electronically received by the consumer or the date by which it must be paid.” The Examiner’s reasoning is flawed because, first, it is no longer clear what interpretation the Examiner is giving the term “invoice date,” even though the Examiner has given three options in the Advisory Action. Second, even assuming, *arguendo*, that “invoice date” may be interpreted in any of the three ways suggested by the Examiner, the instant claims still require that this “invoice date” be employed in a specific manner to calculate a discount amount. That is, the invoice date, along with the invoice amount, must be retrieved, a discount amount must be calculated based upon the discount amount, the calculated discount amount must be displayed, and there must be a selective receipt of a payment input that authorizes a payment **according to the calculated discount amount in advance of the invoice date**. Thus, in whatever manner the Examiner is interpreting the term “invoice date,” it must still be shown that the applied references act in some manner as to selectively receive a payment input that authorizes a payment according to the calculated discount amount **in advance** of whatever the Examiner considers to be the “invoice date.” Such a showing has not been made by the Examiner as any disclosure of an “invoice date” in *Kitchen et al.* is purely speculative and *Pay and Save* offers no teaching or

suggestion of a calculated discount amount “based upon the invoice amount,” as claimed. Appellant also notes that, in accordance with the definition of “invoice date,” as used, for example, in paragraph [39] of the present specification, re-calculated dates indicating the time period within which the Early Payment Discount is effective are calculated “**based on the on-line invoice posting date**” (first line on page 15 of the specification). Thus, the invoice date is the “on-line invoice posting date.” The Examiner has failed to show an invoice posting date in either of the applied references which is used in the manner claimed.

2. **Adding *Pay and Save* to the teaching of *Kitchen et al.* still fails to suggest the instant claimed subject matter.**

Taking independent claim 1 as exemplary of the other claims, the Examiner alleges that the “calculating,” “displaying,” and “selectively receiving” steps of the claim are taught by *Pay and Save*, concluding that it would have been obvious to modify the electronic bill pay system of *Kitchen et al.* with the calculation of a discount amount based on the invoice amount of *Pay and Save* because this feature would allow customers “to process their bills and receive the discount which would be a benefit to them and also a benefit to the billing entity because the money is available to them earlier” (Final Rejection of March 23, 2007-page 4).

The Examiner’s position is legally flawed. While the Examiner alleges that *Pay and Save* discloses the “calculating,” “displaying,” and “selectively receiving” steps of the claim, the Examiner does not point out specifically where, in the reference, these teachings allegedly exist. It is interesting to point out that the Examiner admits (see Final Rejection of March 23, 2007-pages 3-4) that the **primary** reference to *Kitchen et al.* lacks the teaching of the calculating, displaying and selectively receiving steps (i.e., most of the claimed subject matter) of claim 1, for

example, leaving the **primary** reference to allegedly teach only an online billing system that retrieves customer invoice information. Even the idea that such customer invoice information in this **primary** reference includes “an invoice date and an invoice amount” is speculative, at best.

While *Pay and Save* does suggest, very generally, the concept of encouraging customers to take advantage of prompt payment discounts, there is absolutely no disclosure or suggestion of employing such early payment discounts in an on-line billing system, as claimed. Moreover, while *Pay and Save* mentions average discount rates of 3%, with an average discount period of 20 days, the reference says nothing about what the discount is taken on or from. Thus, there is no teaching or suggestion of a calculated discount amount “based upon the invoice amount,” as claimed. Still further, *Pay and Save* mentions prompt payment discounts, suggesting a contract price based on a specified time period, but offers nothing suggesting a time period and then further providing a discount if paid earlier than that date, as specified in the present claims.

3. The Examiner’s combination lacks any motivation to combine.

Still further, the Examiner has not provided the requisite motivation for making the combination of *Kitchen et al.* and *Pay and Save*. The Examiner’s rationale, i.e., the feature of calculating a discount amount based on the invoice amount would allow customers “to process their bills and receive the discount which would be a benefit to them and also a benefit to the billing entity because the money is available to them earlier,” is an advantage recognized by Appellant, but there is no reason apparent from the teachings of either of the applied references to have calculated a discount amount based on any invoice amount in *Kitchen et al.*, to have displayed the calculated discount amount in the system of *Kitchen et al.*, and to have selectively received a payment input that authorizes a payment according to the calculated discount amount

in advance of an invoice date, in *Kitchen et al.* *Kitchen et al.* simply does not provide for these features and a general suggestion in *Pay and Save* of prompt payment discounts does not provide the motivation for the skilled artisan to have substantially modified *Kitchen et al.* to provide for these claimed features.

4. **The problem addressed by the instant invention is not a concern of the applied references.**

The claimed invention addresses the problem of customer resistance to conduct any e-business transactions on-line and their unwillingness to pay invoices electronically. The claimed invention provides an incentive for customers to conduct e-business transactions on-line by providing an **early** payment discount incentive. Neither of the applied references recognizes, addresses, or offers a solution to that problem. Thus, the Examiner's attempt to establish the motivational element for making the combination is fatally flawed.

5. **Evidence of Nonobviousness**

It is well settled that the failure of the applied prior art to address or offer a solution to the problem addressed and solved by a claimed invention constitutes a potent indicium of **nonobviousness**. *North American Vaccine, Inc. v. American Cyanamid Co.*, 7 F.3d 1571, 28 USPQ2d 1333 (Fed. Cir. 1993); *Northern Telecom, Inc. v. Datapoint Corp.*, 908 F.2d 931, 15 USPQ2d 1321 (Fed. Cir. 1990); *In re Newell*, 891 F.2d 899, 13 USPQ2d 1248 (Fed. Cir. 1989); *In re Nomiya*, 509 F.2d 566, 184 USPQ 607 (CCPA 1975). The failure of the applied prior art to address or offer a solution to the problem of customer resistance to conducting e-business

transactions on-line, therefore, constitutes a potential indicium of **nonobviousness**, improperly ignored by the Examiner.

6. **Response to the Examiner's arguments**

At page 8 of the Final Rejection of March 23, 2007, the Examiner cites the following language in *Pay and Save*:

“Small businesses’ financial advisers should encourage them to take advantage of prompt payment discounts.” “A survey...shows that the average discount rate that suppliers offer is 3%, with an average discount period of 20 days. The most frequently cited cash discount is 2.5% within 30 days.”

The Examiner argues that this language of the reference is interpreted to mean that a discount percentage, e.g., 2.5% or 3%, is applied to the invoice amount/invoice total, as is presently claimed. Appellant respectfully disagrees. In accordance with the claimed invention, there is an authorization of payment “according to the calculated discount amount **in advance of the invoice date**” (emphasis added). This means that the selective receipt of a payment input that authorizes a payment according to the calculated discount amount occurs prior to the invoice date. But the language in *Pay and Save* cited by the Examiner suggests no such thing. In fact, the cited language of *Pay and Save* may very well be interpreted as a contract price based on a specified time period, e.g., the customer gets a 3% discount on the contract price if the bill is paid within 20 days of the invoice. Thus, an invoice is produced in *Pay and Save* and the discount is given if the invoice amount is paid within a predetermined time period, say 20 days, but there is no prior receipt, i.e., prior to the invoice date, in *Pay and Save*, of a payment input that authorizes a payment according to the calculated discount amount. Contrary to that teaching, the presently claimed invention selectively receives a payment input that authorizes payment according to a

calculated discount amount “in advance of the invoice date.” This makes sense in accordance with an object of the claimed invention, which is to entice customers to pay bills on-line, within a designated number of days from receipt of their invoice. The disclosure of *Pay and Save* provides no such advantage. At best, the language of *Pay and Save* is speculative and that is no basis on which to reach a conclusion of obviousness, within the meaning of 35 U.S.C. § 103.

Assuming¹ the Examiner is still interpreting “invoice date” in the claims to be “the invoice due date,” allegedly equivalent to the due date in *Pay and Save* (Final Rejection of March 23, 2007-page 9), Appellant urges that the Examiner’s interpretation of the claimed “invoice date” to be an “invoice due date” is unreasonable. If the claims were meant to refer to an “invoice **due** date,” the claims would have said as much. Instead, the clear language of the claims calls for an “invoice date” which anyone skilled in the art would interpret as the date of invoice, i.e., the invoice posting date. The interpretation of “invoice date” as being the invoice posting date” is consistent with its usage in the specification (e.g., see pages 14-15, paragraph [39], especially line 1 of page 15).

Accordingly, since there is no motivation to make the combination of *Kitchen et al.* and *Pay and Save* and, even if made, the combination fails to teach all of the claimed steps and elements, no *prima facie* case of obviousness has been established and the Honorable Board is respectfully requested to reverse the rejection of independent claims 1, 8, 15, 22, 29, and 36 under 35 U.S.C. § 103.

¹ The Examiner appears to have changed his mind in the Advisory Action where the Examiner now indicates that “invoice date” may be interpreted in any one of three different manners.

7. **The Dependent Claims**

Appellant separately argues the patentability of the dependent claims.

With regard to claims 4, 11, 18, 25, 32, 39, and 40, these claims require the calculation of a second discount amount based on the invoice amount and this is not taught or suggested by the applied references. The Examiner's rejection does not even address claim 4 and this legal error alone should be grounds for withdrawal of the rejection. Although claims 11, 18, 25, 32, 39, and 40 are listed in groups of other claims in the rejection, the Examiner never explicitly explains in the rationale for the rejection how the feature of calculating a second discount amount based on the invoice amount is alleged to be taught or suggested by the applied references. In responding to Appellant's arguments, at page 10 of the Final Rejection of March 23, 2007, the Examiner alleges that the disclosure by *Pay and Save* of "3%, with an average discount period of 20 days" and "2.5% within 30 days" is a disclosure of calculating another discount amount based upon another percentage of the invoice amount, the second discount amount being associated with another expiration date.

The Examiner's explanation is unreasonable. These citations in *Pay and Save* relate to two different and separate examples in that a survey showed that the average discount rate that suppliers offer is 3%, with an average discount period of 20 days, and that a most frequently cited cash discount is 2.5% within 30 days. These citations have absolutely nothing to do with "calculating" even one discount amount based upon a percentage of an invoice amount, let alone calculating "another" discount amount based upon a percentage of an invoice amount, and then "automatically applying either of the discount amounts based upon time of receipt of the payment input," as claimed. The claim language shows that there is a relationship between the two discount amounts and the time of receipt of the payment input and that one or the other is applied

based upon time of receipt of the payment input. The mere mention in *Pay and Save* of a discount rate discovered by survey and a discount rate most frequently cited in no way suggests applying one or the other of these cited discount rates based upon time of receipt of the payment input, as claimed. Therefore, the rejection of claims 4, 11, 18, 25, 32, 39, and 40 under 35 U.S.C. § 103 should be reversed by this Honorable Board.

With regard to dependent claims 12, 13, 19, 20, 26, 27, 33, 34, 41, and 42, these claims require determining whether criteria for early payment discount are satisfied for a corresponding customer, and selectively applying the discount amount based upon the determination.

Although claims 12, 13, 19, 20, 26, 27, 33, 34, 41, and 44 are listed in groups of other claims in the rejection, the Examiner never explicitly explains in the rationale for the rejection how the features of determining whether criteria for early payment discount are satisfied for a corresponding customer, and selectively applying the discount amount based upon the determination, are alleged to be taught or suggested by the applied references. Moreover, the Examiner fails to respond to Appellant's argument in the response section of the Final Rejection of March 23, 2007. Accordingly, the silence of the Examiner on this point constitutes grounds for reversal of the rejection of claims 12, 13, 19, 20, 26, 27, 33, 34, 41, and 44 under 35 U.S.C. § 103 and the Honorable Board is respectfully requested to so reverse.

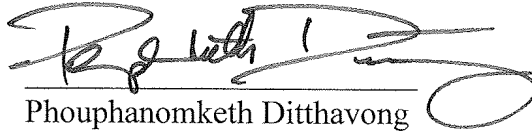
VIII. CONCLUSION AND PRAYER FOR RELIEF

For the foregoing reasons, Appellant requests the Honorable Board to reverse each of the Examiner's rejections.

Respectfully Submitted,

DITTHAVONG MORI & STEINER, P.C.

6/29/07
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IX. CLAIMS APPENDIX

1. A method for providing an on-line billing system, the method comprising:

retrieving customer invoice information that includes an invoice date and an invoice amount;

calculating a discount amount based upon the invoice amount;

displaying the calculated discount amount; and

selectively receiving a payment input that authorizes a payment according to the calculated discount amount in advance of the invoice date.
2. The method according to claim 1, wherein the discount amount is valid for pre-defined time period.
3. The method according to claim 1, further comprising:

calculating an expiration date defining the pre-defined time period; and

displaying the expiration date.
4. The method according to claim 3, wherein the discount amount is based upon a percentage of the invoice amount, further comprising:

calculating another discount amount based upon another percentage of the invoice amount, the second discount amount being associated with another expiration date; and

automatically applying either of the discount amounts based upon time of receipt of the payment input.

5. The method according to claim 1, further comprising:
determining whether criteria for early payment discount are satisfied for a corresponding customer; and
selectively applying the discount amount based upon the determining step.
6. The method according to claim 5, wherein the criteria in the determining step include maintaining a zero outstanding charge by the customer.
7. The method according to claim 1, further comprising:
executing an electronic fund transfer in response to the step of selectively receiving the payment input.
8. A server apparatus for providing an on-line billing system, the server apparatus comprising:
a communication interface configured to retrieve customer invoice information that includes an invoice date and an invoice amount; and
a processor coupled to the communication interface and configured to calculate a discount amount based upon the invoice amount, wherein the calculated discount amount is displayed via a client, and a payment input that authorizes a payment according to the calculated discount amount in advance of the invoice date is selectively received from the client.
9. The server apparatus according to claim 8, wherein the discount amount is valid for pre-defined time period.

10. The server apparatus according to claim 8, wherein the processor is configured to calculate an expiration date defining the pre-defined time period, the expiration date being displayed via the client.

11. The server apparatus according to claim 10, wherein the discount amount is based upon a percentage of the invoice amount, the processor being configured to calculate another discount amount based upon another percentage of the invoice amount, the second discount amount being associated with another expiration date, either of the discount amounts being automatically applied based upon time of receipt of the payment input.

12. The server apparatus according to claim 8, wherein the processor is configured to determine whether criteria for early payment discount are satisfied for a corresponding customer, and to selectively apply the discount amount based upon the determination.

13. The server apparatus according to claim 12, wherein the criteria include maintaining a zero outstanding charge by the customer.

14. The server apparatus according to claim 8, wherein the processor is configured to initiate an electronic fund transfer in response to receipt of the payment input.

15. An e-billing system comprising:

a database configured to store customer invoice information that includes an invoice date and an invoice amount;

a server communicating with the database, the server being configured to retrieve the customer invoice information from the database, the server being configured to calculate a discount amount based upon the invoice amount; and

a client communicating with the server, the client being configured to display the discount amount, and to transmit a payment input that authorizes a payment according to the calculated discount amount to the server in advance of the invoice date.

16. The system according to claim 15, wherein the discount amount is valid for pre-defined time period.

17. The system according to claim 15, wherein the server is configured to calculate an expiration date defining the pre-defined time period, the expiration date being displayed via the client.

18. The system according to claim 17, wherein the discount amount is based upon a percentage of the invoice amount, the server being configured to calculate another discount amount based upon another percentage of the invoice amount, the second discount amount being associated with another expiration date, either of the discount amounts being automatically applied based upon time of receipt of the payment input.

19. The system according to claim 15, wherein the server is configured to determine whether criteria for early payment discount are satisfied for a corresponding customer, and to selectively apply the discount amount based upon the determination.

20. The system according to claim 19, wherein the criteria include maintaining a zero outstanding charge by the customer.

21. The system according to claim 15, wherein the server is configured to initiate an electronic fund transfer in response to receipt of the payment input.

22. A server apparatus for providing an on-line billing system, the server apparatus comprising:

means for retrieving customer invoice information that includes an invoice date and an invoice amount;

means for calculating a discount amount based upon the invoice amount;

means for displaying the calculated discount amount; and

means for selectively receiving a payment input that authorizes a payment according to the calculated discount amount in advance of the invoice date.

23. The apparatus according to claim 22, wherein the discount amount is valid for pre-defined time period.

24. The apparatus according to claim 22, further comprising:

means for calculating an expiration date defining the pre-defined time period, wherein the displaying means displays the expiration date.

25. The apparatus according to claim 24, wherein the discount amount is based upon a percentage of the invoice amount, the apparatus further comprising:

means for calculating another discount amount based upon another percentage of the invoice amount, the second discount amount being associated with another expiration date; and

means for automatically applying either of the discount amounts based upon time of receipt of the payment input.

26. The apparatus according to claim 22, further comprising:

means for determining whether criteria for early payment discount are satisfied for a corresponding customer; and

means for selectively applying the discount amount based upon the determination.

27. The apparatus according to claim 26, wherein the criteria include maintaining a zero outstanding charge by the customer.

28. The apparatus according to claim 22, further comprising:

means for executing an electronic fund transfer in response to the receipt of the payment input.

29. A computer-readable medium carrying one or more sequences of one or more instructions for providing an on-line billing system, the one or more sequences of one or more instructions including instructions which, when executed by one or more processors, cause the one or more processors to perform the steps of:

retrieving customer invoice information that includes an invoice date and an invoice amount;

calculating a discount amount based upon the invoice amount;

displaying the calculated discount amount; and

selectively receiving a payment input that authorizes a payment according to the calculated discount amount in advance of the invoice date.

30. The computer-readable medium according to claim 29, wherein the discount amount is valid for pre-defined time period.

31. The computer-readable medium according to claim 29, wherein the one or more processors further perform the steps of:

calculating an expiration date defining the pre-defined time period; and

displaying the expiration date.

32. The computer-readable medium according to claim 31, wherein the discount amount is based upon a percentage of the invoice amount, the one or more processors further performing the steps of:

calculating another discount amount based upon another percentage of the invoice amount, the second discount amount being associated with another expiration date; and

automatically applying either of the discount amounts based upon time of receipt of the payment input.

33. The computer-readable medium according to claim 29, wherein the one or more processors further perform the steps of:

determining whether criteria for early payment discount are satisfied for a corresponding customer; and

selectively applying the discount amount based upon the determining step.

34. The computer-readable medium according to claim 33, wherein the criteria in the determining step include maintaining a zero outstanding charge by the customer.

35. The computer-readable medium according to claim 29, wherein the one or more processors further perform the step of:

executing an electronic fund transfer in response to the step of selectively receiving the payment input.

36. An early payment discount (EPD) program for an e-billing system including a computer system accessible for on-line interactive communication of invoices to users, said computer system comprising:

a database for storing customer invoice information, said information including an invoice date and an invoice amount, said invoice information accessible to said customer for on-line interaction;

mechanism for calculating an early payment discount amount based on said invoice amount, and displaying for said user, said early payment discount amount and, a modified total invoice amount reflecting said early payment discount; and,

a mechanism for initiating electronic payment of said modified total invoice amount via said e-billing system, wherein said early payment discount is applied only upon payment within a pre-defined time period of said invoice date.

37. The early payment discount program as claimed in Claim 36, wherein said applying mechanism includes mechanism for calculating an expiration date defining said pre-defined time period and displaying said expiration date for said user.

38. The early payment discount program as claimed in Claim 37, wherein said early payment discount is a first pre-determined percentage of said total invoice amount, and applicable between a first pre-defined time period from said invoice date, said calculating mechanism automatically applying said first pre-determined percentage when said user accesses said invoice on-line within said first pre-defined time period.

39. The early payment discount program as claimed in Claim 38, wherein said early payment discount is a second pre-determined percentage of said total invoice amount, and applicable within a second pre-defined time period after said expiration date, said calculating

mechanism automatically applying said second pre-determined percentage when said user accesses said invoice on-line within said second pre-defined time period.

40. The early payment discount program as claimed in Claim 39, further including mechanism to enable scheduling of electronic payment by said user, said early payment discount including said first pre-determined percentage when said payment is scheduled within said first pre-defined time period, or early payment discount including said second pre-determined percentage when said payment is scheduled within said second pre-defined time period.

41. The early payment discount program as claimed in Claim 36, wherein a customer has associated EPD qualify criteria, said calculating mechanism applying said early payment discount amount when said user meets said qualify criteria.

42. The early payment discount program as claimed in Claim 41, wherein an EPD qualify criteria includes a customer maintaining a zero outstanding charge.

X. EVIDENCE APPENDIX

Appellants are unaware of any evidence that is required to be submitted in the present Evidence Appendix.

XI. RELATED PROCEEDINGS APPENDIX

Appellants are unaware of any related proceedings that are required to be submitted in the present Related Proceedings Appendix.